5/027/080



United States Department of the Interior

BUREAU OF LAND MANAGEMENT FILLMORE FIELD OFFICE

35 East 500 North Fillmore, UT 84631 http://enbb.blm.interwebdesign.com



MAR 1 4 2001

DIVISION OF OIL, GAS AND MINING



In Reply Refer to: 3809 (U-010) UTU-078262-01

March 12, 2000

CERTIFIED MAIL # 7099 3220 0002 6774 6204 RETURN RECEIPT REQUESTED

DAVID D PETERSON
PRESIDENT
DELTA MINERALS INC
545 S OAK DR
WOODLAND HILLS UT 84653

On September 13, 2000, a surface compliance inspection of your operation located in the NE% of Section 12, T. 15 S., R. 10 W. revealed that the disturbance exceeded five acres, and that a Plan of Operations (Plan) would be required. On September 26, 2000, you submitted a Plan proposing ten acres of disturbance, one acre of which you would be reclaiming right away, for a total of nine acres. Recent inspections reveal that the one acre has been reclaimed, however, until vegetation has established on the disturbance, it must be included in total acreage disturbed, and a Plan is still required.

The enclosed Environmental Analysis (EA) of the plan you submitted has been completed, and a finding of no significant impact made. Your operation will be contingent upon the mitigating measures in the EA, and the following conditions:

- 1. You calculate the reclamation costs of the nine acres you propose to disturb, and submit it to this office for approval. The cost must be calculated as though BLM had to hire a third-party contractor to conduct the reclamation, with an additional 10% added to cover the costs of BLM to administer the contract. If we approve the amount, you must submit a financial guarantee to the Utah State Office of the BLM for the cost of reclamation.
- 2. You deposit in an escrow account the amount of \$11,000, which should cover the value of the material you remove during the first six months of your operation. A validity exam will then be initiated on your claims to determine whether the

limestone you are mining is locatable. In U.S. vs. Lundy, the Interior Board of Land Appeals has held that limestone must contain 95 percent or more calcium or magnesium carbonate for it to be locatable as a chemical grade. Furthermore, chemical grade limestone used for a non-qualifying use, such as aggregate, rip-rap, or landscape boulders, must be purchased from the BLM, unless you can demonstrate that the stone has a special property which makes it uniquely suitable for such purposes, and thus commands a higher price in the market place than do ordinary varieties of material. If you can demonstrate these qualities to our satisfaction, we will not require the escrow account.

Please submit the reclamation estimate within 30 days of receipt of this letter. If you feel you can demonstrate that the deposit you are mining is locatable, please submit your rationalization for such within 30 days of this letter. Upon review of this information, we will issue a decision letter approving the Plan subject to said conditions. Continuing to operate without an approved plan in place is a violation of 43 CFR §3809.412, and can result in civil and criminal penalties.

Also, the occupancy proposal you submitted with your original notice is outdated. If you plan to place any buildings or trailers on site, please submit a new proposal at least 60 days prior to doing so. Failure to obtain BLM's concurrence for a mining claim occupancy is a violation of 43 CFR §3715.3-1(a), and could result in civil and criminal penalties.

If you have any questions, please feel free to contact me at (435)743-3126.

Sincerely,

Larry Garahana

in bolo

Geologist

Enclosure

Environmental Analysis

cc: D. Wayne Hedberg, UDOGM

Terry and Gayle Cook, 885 S. Oak Dr., Woodland Hills, UT 84653